

Accounting Fundamentals

Outlining how to set up and transition accounting operations into EPASS. Covering, configuring key GL accounts, entering beginning balances for Accounts Payable, and importing Trial Balances into the General Ledger.

Tables and Variables with GL implications

If you are not using EPASS as your Accounting software, all System Maintenance tables and variables need to be reviewed.

Here is a list of the key account numbers needed to set up the tables and variables. The #####'s in bold are filled into the applicable tables in brackets:

1. Main Bank Account # **1####** (Table: Payment type, check series and Variable: A/R)
2. Serial *Appliance* Revenue Account # **4####** (Table: Invoice type, *Inventory Type*, *Serial Type*.)
3. Serial *Appliance* Cost Debit Account – aka - COGS # **5####** (Table: Invoice type, Table: Invoice type, *Inventory Type and Serial Type*. Variable: A/R)
4. Serial *Appliance* Cost Credit Account – aka Inventory asset # **1####** (Table: Invoice type, *Inventory Type*, *Serial Type*.)
5. Parts Revenue Account # **4####** (Table: Invoice type, *Inventory Type*)
6. Parts Cost Debit Account # **5####** (Table: Invoice type, *Inventory Type*)
7. Parts Cost Credit Account # **1####** (Table: Invoice type, *Inventory Type*)
8. Extended Warranty Revenue Account # **4####** (Table: Extended warranty)
9. Delivery Revenue Account # **4####** (Table: Miscellaneous)
10. Labor Revenue Account # **4####** (Table: Invoice type, *Labor Rate*)
11. Sales Tax Payable Account # **2####** (Table: Tax and Variable: Invoicing)
12. Retained Earnings Account # **3####** (Variable: General Ledger)

13. Control Account *Accounts Receivable Account # 1####* (Variable: A/R)
14. Deposit Liability Account # **2####** (Variable: A/R) – aka customer deposits
15. Control Account *Accounts Payable # 2####* (Variable A/P)
16. Clearing Account # **9####** (Payment type table – payment transfer)



To start using EPASS as your accounting software you will need to plan a specific as your 'live' accounting date. Tech Support assistance will be required to wipe the GL of any prior activity.

Beginning AP

This will show you how to enter the beginning balances for suppliers.

Sign-in and Transaction Date: It is very important to sign-in as a date prior to going live when processing these beginning transactions. This will post these transactions to the G/L as a prior period, and it will be very easy for the EPASS technical support team to clear it out of the G/L. In our example our company is going live April 1st, so we are signing in as March 31st.

Steps

1. Keying in Invoices
2. A/P Posting
3. Reconciling with the A/P Open Item report

Keying In Invoices

AP > Transaction Processing > Add > Invoice

Distribution			
G/L Account	Description	Cost Center	Amount
6000.011	6000.011 Desc	SALES	135.64
*			

- **Supplier:** The browse button is available to search suppliers.
- **Amount:** The balance of the invoice. It is much easier to key in one entry for the balance of the invoice versus multiple entries for any payments and adjustments. Your previous software system or final AP report from the previous system can always be kept to answer questions.
- **Invoice #:** The invoice number from the previous system.
- **Invoice Date:** The date of the invoice, this must be prior to the 'going live' date.
- **Due Date:** The true due date of the invoice. This date does not need to be prior to the 'going live' date.
- **Note:** A simple note to remind you this was startup is always helpful.
- **Discount Amount/Date/G/L:** If this invoice involves an early payment discount, you will want to fill these fields in.
- **Hold checkbox:** If there is a dispute with this invoice you can put it on hold immediately.
- **# of Payments Used:** If the invoice is split into three payments over 90 days, or something similar.
- **To be Distributed:** The system will show the amount of money left to be distributed.

- **G/L Account:** It is suggested to use one GL account for all beginning AP, but what account you use does not matter since the G/L transactions will later be cleared out by the EPASS technical support team.
- **Description:** Filled in by the system.
- **Amount:** Defaulted to the amount keyed in above. When 'To Be Distributed' is zero, you can click *OK*.

Variation

If you do not want to key in each invoice for some suppliers, you could simply key in one entry per monthly statement as their total AP balance. This is quite common for parts suppliers where you have hundreds of invoices throughout the month. In this case you would change the Invoice number to be a word like 'STARTUP' or 'MARCH2007-STMNT'. EPASS has no problem with invoice numbers being words. Although this method would be faster, it will require more regular referrals to your previous system to research payments and balances.

A/P Posting

AP > Post Transactions

Make sure you sign in as the correct date prior to posting. It is best to post small batches at a time. This will make it easier to find errors. If you are working from a printout from your previous system, maybe post every time you key in a couple of pages worth of entries.

A/P Transaction Posting

WARNING !!!

During the posting process the following files will be updated:

- A/P Transactions File
- A/P Posted Transactions File
- A/P History Detail File
- A/P Check Register File
- G/L Transactions Holding File

PLEASE NOTE: You MUST be the only one accessing these files for the posting to function properly

☒ Preview Posting Only

Post up to and including Date: 3/31/2007

Branch: XXXXX

OK Cancel

Reports

It is easiest to use the AP-02 AP Transaction Post report to balance your work. The second report gives GL breakdown, which will not be relevant since we are putting all suppliers to the same GL Account. It is important to remember we are doing this because these startup entries will be cleared from our GL, and later you will be keying in beginning entries for the EPASS GL.

Direct Appliance

AP-02

A/P Transaction Post

Post up to and including Date: Mar 31, 2007

Report Date: Mar 31, 2007

System Date: Apr 27, 2007

System Time: 8:09

Page: 1

Supplier	Invoice	Type	Amount	Date	Due Date	Check #
A&D FIRE	15697	Invoice	135.64	3/31/07	4/30/07	
G.E PART	MAR2007STMNT	Invoice	9865.50	3/31/07	4/10/07	
		STARTUP				
RAINBOW	6842	Invoice	275.00	3/31/07	4/30/07	
		STARTUP				

Total Invoice	3	10,276.14
Total Checks	0	.00
Total Adjustments	0	.00
Total Quick Pay	0	.00
Net Change to A/P	3	10,276.14

Once all the postings are complete, you need to do a final reconciliation. With each posting being checked, the AP Open Item report should match your listing from your previous system. Make sure to select 'Detail' for the report type.

Now go through the AP Open Item and compare the totals with your previous system. If they match, you did everything correctly. If some mistakes were made, AP Transactions > Add > Adjustment can be used to make correcting entries.

Direct Appliance

AP-11

A/P Open Item Report

Transactions Ending: Mar 31, 2007 Supplier Type From: INV To: INV
 Supplier From: To: zzzzzzzzzz Report Type: Detail
 Report Date: Mar 31, 2007 System Date: Apr 27/2007 System Time: 8:21 Page: 1

Invoice	Type	Date	Discount Date	Due Date	Amount	Description	Invoice Balance
A&D FIRE A & D FIRE PROTECTION SERVICE							
15697	I	3/31/2007		4/30/2007	135.64		135.64
				Supplier Total:	135.64		
G.E.PART GENERAL ELECTRIC CO.							
MAR2007STMNT	I	3/31/2007		4/10/2007	9,865.50	STARTUP	9865.5
				Supplier Total:	9,865.50		
RAINBOW RAINBOW INTERNATIONAL CARPET							
6842	I	3/31/2007		4/30/2007	275.00	STARTUP	275
				Supplier Total:	275.00		

Open Item Total 10,276.14

Total Open Items 3

be used to make correcting entries.

Beginning GL

This guide assumes you have already keyed in the GL Chart of Accounts into EPASS.

This will show you how to enter the beginning balances.

This guide is based on the fiscal year 2025, the fiscal year beginning in January and the go live date for EPASS is February 1, 2025. Here is how the GL variables should be set based on these points: notice that the current fiscal month is 1.

General Ledger Variables

End of Balance Sheet: 3999

End of Revenue: 4999

Retained Earnings Account: 3100

Import Payroll From: C:\EASYDATA\RD92\GLIMPORT.TXT

Payroll Format: ADP

Posting Batch: 111539

First Fiscal Month: 1

Current Fiscal Month: 1

Current Fiscal Year: 2025

Show Inactive Accounts in Chart of Accounts: ☒

Quick Books Version: QB Desktop 2021 Pro

AR

GL Account: 1200 ACCTS RECEIV-RETAIL

Customer: EPASS AR

Sales Tax

GL Account: 2260 tax collected

Supplier: SALES TAX

OK Cancel

Assuming you were going live February 1st, 2025, it will take you a few weeks to close your previous GL system so you can key in the beginning balances into EPASS. During this period, you can do anything needed in the other modules, but no GL journal entries should be made prior to the beginning balances being keyed in and verified. Any entries being made in the sub modules of EPASS that need to be cleared out of the GL, should be

cleared out prior to this step and it is easiest of all entries that need to be cleared out are dated prior to the go live date. I.E. January 31, 2025.

It is quite important to clear out the other beginning entries prior to making these journal entries because the beginning GL balances will be keyed into EPASS as of January 31, 2025 so that you will be able to produce a beginning Trial Balance and do a month end close for January 31, 2025 prior to any of the valid February 1, 2025 entries.

You can contact EPASS technical support to clear out the beginning GL entries dated prior to the going live.

Remember that you will need to keep your previous GL system data because we are only keying in the beginning balances into EPASS, all detail and prior history will only be in your previous GL system, EPASS will only be starting as of now.

Sign-in and Transaction Date: It is very important to sign-in as a date prior to going live when processing these beginning transactions. This will post these transactions to the GL as a prior period allowing us to produce a beginning Trial Balance in EPASS that will match the Closing Trial Balance of your previous system.

Steps

1. Printing/exporting a Trial Balance from your Previous Accounting system
2. Keying in Beginning Balances
3. G/L Trial Balance to verify balances prior to Posting
4. G/L Posting
5. G/L Trial Balance to verify balances again
6. G/L Month End Close

Trial Balance from your Previous Accounting System

These two images simulate the balances that were exported out of your previous accounting system and will be keyed into EPASS during the next step.

To keep things simple, we are only showing the beginning and end of the GL Trial Balance data exported.

Keying In Beginning Balances

GL > Transactions > Add

The beginning balances are keyed into EPASS as one long journal entry. You start with the balance of the first GL account on the top portion of the screen and continue with all remaining GL accounts in the distribution section of the screen. After you have keyed in all GL accounts it should balance out to zero and the 'To Be Allocated' will show zero if you have done all entries correctly. You can scroll up and down through the

distribution, if needed, to find and correct any mistakes made. In the next screen shot, you will see us reaching the last GL account on our Trial Balance and the 'To Be Allocated' balances out to zero.

Distribution		
G/L Account	Description	Amount
1030	ING SAVINGS ACCOUNT	20,000.00
4000	revenue	-29,912.00
6000-3	SALARIES - ADMIN - HO	1,054.32
8050	UNIFORMS - SALES	-1,054.32
*		

Amount: The balance of the very first GL account on your Trial Balance.

G/L Account: The first GL account on your Trial Balance.

Date: The date of this transaction. In our example it is January 31, 2025, one day before going live.

Reference: A simple note or keyword indicating the beginning entries.

Note: A simple note to remind you this was startup is always helpful.

To Be Allocated: The system will show the amount of money left to be distributed.

G/L Account: The next GL account on your Trial Balance.

Amount: The balance of the GL account currently being keyed in.

When you have reached the bottom of your Trial Balance and 'To Be Allocated' is zero, you can click OK.

G/L Trial Balance Prior to Posting

GL > Reports > Trial Balance

The Trial Balance report gives you the ability to verify the entries are correct prior to running the GL posting.

G/L Trial Balance

Fiscal Year: 2025 Start: 1/1/2025

Fiscal Month: 1 Start: 1/1/2025 End: 1/31/2025

☐ Show Accounts With NO Activity
☒ Include NOT Posted Transactions and Holding file
☐ Show Inactive Accounts With Zero Balance

OK Cancel

You must select the 'Include NOT Posted Transaction and Holding File' for the Trial Balance to include the figures you just keyed in but have not posted yet. Below is a sample of what the Trial Balance looks like. You now need to verify that the EPASS Trial Balance matches the Trial Balance you exported out of your previous accounting system. If you find errors you can key in additional journal entries to fix the problem through *GL > Transactions*.

Appliance Company

GL-13

G/L Trial Balance

Fiscal Year: 2025

Starts: Jan 1, 2025

Fiscal Month: 1

Show Inactive Accounts with Zero Balance: NO

Start Date: Jan 1, 2025

End Date: Jan 31, 2025

Show Accounts with No activity: NO

Report Date: Aug 28, 2025

System Date: Aug 28, 2025

System Time: 11:00 am

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Account	Description	Account Type	Current Amount	YTD Amount
1000	SCOTIABANK - MAIN ACCOUNT	Active	0.00	23,429.24
1000.1	SCOTIABANK VISA	Inactive	0.00	(100.00)
1001	NEW BANK ACCOUNT	Active	0.00	2,685.01
1050	PETTY CASH	Active	0.00	4,629.51
1100	TD Bank - CDN Funds	Active	0.00	88.89
1101	Bank Account	Active	0.00	16,045.35
1110	1110	Active	0.00	152.75
1115	ACCOUNT RECEIVABLE	Active	0.00	3,060.86
Total:			0.00	0.00

G/L Posting

GL > Post Transactions

G/L Posting

WARNING !!!

Only transaction within the shown transaction date will be posted.

PLEASE NOTE:

You MUST be the only one accessing the General Ledger files for the posting to function properly!

Post G/L Transactions

Fiscal Month: 1

Fiscal Year: 2025

Transaction Date From: 1/1/2025

To: 1/31/2025

☒ Preview Posting Only

OK Cancel

Uncheck the 'Preview Posting Only' option so that EPASS will print your beginning entries and give you the option of accepting or cancelling the posting.

G/L Trial Balance to Verify Balances again

GL > Reports > Trial Balance

You can run the Trial Balance report again except, this time, you do not need to check 'Include NOT Posted Transaction and Holding File'. The report should give the exact same balances as it did prior to running and accepting the GL post transactions.

G/L Month End Close

GL > Month End/Year End > Month End Close



At this point you have now verified that EPASS has the correct beginning balances, and you are ready to put the GL into the current period. Assuming you have verified the balances are correct, click **OK** to close the month. The EPASS GL is now live and up to date.